

The State of the City Address

March 16, 2015

Mayor Setti D. Warren

James FC Hyde was elected Newton's first Mayor in 1873. Mayor Hyde's bold vision laid the foundation for the City we love today. He believed in making investments in education, infrastructure, and transportation. His administration upgraded streetlights, expanded space for a school building, and accepted the transfer of the Newton Free Library to the City.

According to Historic Newton, "Mayor Hyde conceived an idea that resulted in tracks running through Newton from Chestnut Hill to Upper Falls and laid new tracks from Newton Highlands to meet its own existing commuter line at Riverside. Making travel possible between all Newton's suburban villages triggered a period of unprecedented residential development that lasted until World War I."

Mayor Hyde clearly loved our City—just as we do. At the same time, he wasn't afraid to think about the long term—and to think big. With that comes the awesome responsibility to not be afraid to make tough decisions to move our City forward. We owe it to those who came before us to do the same.

I am pleased to report we continue to make significant progress in strengthening our City's finances for the long term. In the years before my first term in office, two independent citizen commissions, the Blue Ribbon Commission in 2007 and the Citizens Advisory Group in 2009, projected a trajectory for the FY16 budget to have an approximate \$70 million structural deficit. Instead, we have virtually eliminated this deficit. Not only that, but we have built a rainy day fund that did not exist in 2010 to five percent of the annual budget and will eliminate our pension liability by 2029—shaving nine years off our funding schedule. We have also put in place a funding schedule to deal with the City's Other Post-Employment Benefits (O.P.E.B.).

For our financial plan to be sustainable we must remain steadfast in our determination to balance revenue and expenditures; we must address infrastructure needs; we must provide for the functions of government; we must fully fund our liabilities; and we must maintain an appropriate level of reserves. We cannot forget where we have been and how far we have come and we must remain vigilant in our oversight of every tax dollar that the people of this City have entrusted to us.

We have set a course of action for Newton's finances that will enable us to meet the needs of the present without compromising the quality of life of generations to come. Last month, Moody's rating agency assigned Newton a Aaa bond rating once again and included in its comments that "the stable outlook recognizes the City's improving financial position, conservative forecasting in five year and capital plans and implementation of comprehensive financial policies." In 2009, the Citizens Advisory Group highlighted the fact that our City's roads, sidewalks and buildings had been crumbling with no way to assess or repair and maintain its most valuable assets.

In 2010, we initiated full use of another data-driven web-based system for preventive maintenance. Over 32,000 maintenance requests have been entered and completed using our web-based preventive

maintenance software system. As a result, since we took office, we have more than doubled our work in our buildings, including critical pieces of infrastructure like roof section replacements and renovations, masonry repointing and waterproofing, boiler and heating system replacements and retrofits, electrical distribution system replacements, and painting and preservation. Because of our preventive maintenance work we were able to keep all of our buildings open and operational throughout this historic winter.

In 2011, our administration designed and developed a first of its kind risk-based, data-driven assessment tool to rank and prioritize all of our capital and infrastructure including the lifecycle of each asset. The comprehensive building assessment completed in 2011 is a living, breathing document that is utilized as a tool for both preventive maintenance as well as the generation of our capital improvement plan.

Through the use of new data-driven technology and the commitment of the Board of Alderman, School Committee, and employees since the passage of the override in 2013, we have been able to pave 50% more roadway each year than we had in 2010, and repaired 131% more sidewalks. Last year, our Department of Public Works installed 308 fully accessible ADA ramps, with plans to install approximately 300 more this year to increase accessibility on our public sidewalks.

We know reducing our carbon footprint is great for the environment and even better for our bottom line. Since 2010, we have added 820 Kilowatts of power thanks to the solar panels on school and municipal buildings throughout the City. This initiative has not only reduced our carbon footprint, but is also yielding the City annual savings of \$100,000. Last summer, we implemented citywide LED street lighting. LED lighting is safer for drivers and pedestrians and good for our environment. This change will save the city over \$2 million over the next 20 years. Furthermore, we will see an additional savings of \$6 million over 20 years through large-scale energy efficiency projects in 16 municipal and school buildings. All of this has led to a reduction in CO2 emissions by 2,823 metric tons per year, the equivalent to removing 594 cars from the road each year.

Robust economic vitality is critical to Newton's future and we have made great strides since 2010. We have made strategic decisions to ensure our residents live in a city that has a wealth in amenities in retail commerce as well as employment connected to the growing innovation economy. Through the success of the N squared corridor with the town of Needham, we have seen our Newton-based companies grow and new companies move in. And due to the tremendous efforts of our administration, the Board of Alderman, residents, and State, we have revitalized route 9 with the addition of Chestnut Hill Square, The Street, and major traffic improvements. Our City is on the move. As a result of these accomplishments and more, property tax revenue from new commercial growth and redevelopment has grown by 26% since 2010. This means that in 2010, our residents were responsible for 82% of total property tax revenue. Now, residents are responsible for just 79.5%. In addition, since 2010, the vacancy rate for retail space in Newton has declined from 4.1% to 2%.

There is a reason why it was reported in USA Today last fall that Wall Street 24/7 recognized Newton as the best city to live in in the United States of America. An excellent education system and unparalleled public safety are among the core reasons why.

Education is the bedrock of our community. We are so fortunate to have so many talented and dedicated teachers and educators in our school system—Tassy and I can personally vouch for this. Working with our School Committee and our Superintendent, we've made great progress since 2010. Over the past five years, achievement gaps in high school ELA, math, and science MCAS scores have narrowed. Important and promising initiatives have been developed to address the achievement gap, including the Calculus Project and a new effort to support traditionally under-represented students as they enroll in high-level courses.

STEM continues to expand in the Newton Public Schools with the development of the STEAM initiative at Newton South and the continuation of the highly successful Innovation Lab at North. As a result of the override, we have been able to add teachers to reduce class size averages at all levels. We have also added 35 additional classroom spaces over the past several years. Newton Public Schools has continued to develop new programs for a broad range of special education students, including initiatives to serve those students from out-of-district placements.

In addition, in partnership with the Newton Public Schools, my administration has created a summer high school internship program for students to get hands-on experience in the jobs of the 21st Century. This summer will be the third year of the program with an aim of expanding to 30 students of diverse backgrounds, giving them a chance for exposure to gain skills to prepare for the new workplace.

Overall crime went down 8% from 2013 to 2014 in the City of Newton and I'd like to take a moment to thank both our police and fire departments for their tireless efforts to make Newton one of the safest cities in America. Give them a round of applause. And our laborers, DPW workers and city employees all worked incredibly hard through historic weather conditions this winter—please give them a round of applause as well. Thank you.

As we all know, the repeated storms we all faced tested our response from top to bottom. In the coming months, we will be conducting a complete review of our response to the historic storms of 2015 to see where we can improve and do better. This review includes equipment, operations, and communication. We would also like to hear feedback on this from our residents. You can go to our website—Newtonma.gov to let us know how we can continue to improve how we remove snow in our City.

Culture and the arts make Newton a vibrant city and that's why this May our administration will be putting on the first ever Newton Festival of the Arts. We are partnering with over 62 arts organizations to produce this exciting month-long celebration of arts and culture here in Newton. I'd like to recognize Linda Plaut, Director of Cultural Affairs for the City, and Newton resident Gloria Gavis for their outstanding work to make this first-of-its-kind event happen.

Finally—I'd like to end where I began. You all know my story. Tassy and I love this city because of the opportunity it has afforded us and now our two children—who had better be in bed right now. Our story wouldn't be possible without opportunity—opportunity for parents like mine and many of yours who had the chance to move here and take advantage of this great city's education system and city services to give their kids a leg up. That's why we have to think big, not just about making the right decisions for

today's citizens, but for those that come after us, 20 to 30 years from now. To do this we must be responsible stewards of our finances, infrastructure, environment, education, and public safety.

It also means meeting our goals of creating at least 800 affordable housing units by the year 2021, being creative about expanding transportation options for our entire City and region, and expanding the innovation economy with access for all people. We will build off of the success of the N squared corridor with Needham and the Newton Needham Chamber of Commerce and continue to expand regional coordination in economic development and transportation. We will build a 21st Century partnership with the nonprofit and public sector to ensure Newton meets its full potential now and in the next 30 years.

We have exciting initiatives in front of us like the development of Austin Street that can continue to revitalize Newtonville, add diverse units to our housing stock, add retail and amenities, and encourage public transit as opposed to cars for people who come to Newton and live in Newton. We know for a successful development to occur in Newtonville it must continue to allow for convenient parking and keep traffic flowing.

My friends, the state of our City is strong—and it will continue to be as long as we work at it, together. I want to make some asks of my colleagues in government, residents, employees, and businesses—and that is to embrace the approach that we are all in this together. When faced with complex challenges as a community, we sometimes have differing opinions on the best solution. That's a healthy sign of a democracy and strength of Newton—but we should be civil with one another. We should assume the best of intentions of our fellow citizens and not the worst. And we should remind ourselves as we reach and push ourselves to do better that it is out of the great love of this special place we call the Garden City.

Thank you, God bless you, God bless our City and the United States of America.